

Decision _____

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of California-American Water Company (U210W) for Authorization to increase its Revenues for Water Service by \$4,134,600 or 2.55% in the year 2011, by \$33,105,800 or 19.68% in the year 2012, by \$9,897,200 or 4.92% in the year 2013, and by \$10,874,600 or 5.16% in the year 2014.

Application 10-07-007
(Filed July 1, 2010)

And Related Matter.

Application 11-09-016
(Filed September 23, 2011)

**DECISION GRANTING COMPENSATION TO THE NATURAL RESOURCES
DEFENSE COUNCIL FOR SUBSTANTIAL CONTRIBUTION TO DECISION 12-11-006**

Claimant: Natural Resources Defense Council (NRDC)	For contribution to Decision (D.) 12-11-006
Claimed (\$): \$145,172.90¹	Awarded (\$): \$140,335.38 (reduced 3.3%)
Assigned Commissioner: Michael Peter Florio	Assigned ALJ: ALJ Division²

¹ NRDC requested via e-mail to increase the proposed 2012 rate of Osann from \$190.00 per hour to \$280.00 per hour.

² Linda Rochester was the original Administrative Law Judge (ALJ) assigned to this proceeding.

PART I: PROCEDURAL ISSUES

A. Brief Description of Decision:	D.12-11-006 approved the rate design settlement agreement between NRDC, California-American Water Company, DRA, and The Utility Reform Network. The settlement established conservation rate design for California-American Water Company's Larkfield, Los Angeles County, San Diego County, and Ventura County districts and the Toro Service area of Monterey County.
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B. Claimant must satisfy intervenor compensation requirements set forth in Public Utilities Code §§ 1801-1812:

	Claimant	CPUC Verified
Timely filing of notice of intent to claim compensation (NOI) (§ 1804(a)):		
1. Date of Prehearing Conference:	August 26, 2010	Verified
2. Other Specified Date for NOI:	n/a	
3. Date NOI Filed:	September 24, 2010	Verified
4. Was the NOI timely filed?		Yes
Showing of customer or customer-related status (§ 1802(b)):		
5. Based on ALJ ruling issued in proceeding number:	R.09-08-009	Verified
6. Date of ALJ ruling:	January 28, 2010	Verified
7. Based on another CPUC determination (specify):		
8. Has the Claimant demonstrated customer or customer-related status?		Yes
Showing of "significant financial hardship" (§ 1802(g)):		
9. Based on ALJ ruling issued in proceeding number:	A.11-05-017 et al.	Verified
10. Date of ALJ ruling:	October 28, 2011 *NRDC requested an updated ruling of financial hardship in our R.12-06-013 NOI*	Verified
11. Based on another CPUC determination (specify):	n/a	
12. Has the Claimant demonstrated significant financial hardship?		Yes

Timely request for compensation (§ 1804I):		
13. Identify Final Decision:	D.12-11-006	Verified
14. Date of Issuance of Final Order or Decision:	November 14, 2012	Verified
15. File date of compensation request:	January 14, 2013	Verified
16. Was the request for compensation timely?	Yes	

C. Additional Comments on Part I:

#	Claimant	CPUC	Comment
3	Part I A. Brief Description of Decision		<p>D.12-11-006 approved the rate design settlement agreement between NRDC, California-American Water Company, DRA, and The Utility Reform Network. The settlement established conservation rate design for California-American Water Company's Larkfield, Los Angeles County, San Diego County, and Ventura County districts and the Toro Service area of Monterey County.</p> <p>As such, NRDC is requesting compensation herein for work performed in A.10-07-007 that contributed to the final decision in this proceeding (D.12-11-006), including work on the multiparty settlement agreement on rate design.</p>

PART II: SUBSTANTIAL CONTRIBUTION

A. In the fields below, describe in a concise manner Claimant's contribution to the final decision (see § 1802(i), § 1803(a) & D.98-04-059).

Contribution	Specific References to Claimant's Presentations and to Decision	Showing Accepted by CPUC
<ul style="list-style-type: none"> The following italicized headers correspond to the substantive issue areas used to categorize the timesheets. Where no page numbers are indicated, the entire document (or a majority of the document) supports the substantive claim. 		
<p><i>1. Conservation Rate Design</i></p> <p>NRDC submitted extensive testimony on the need to adopt conservation rate designs in many of California-American Water Company's districts and service areas. NRDC's rate design testimony recommended adoption of a four tier rate structure, with Tier 1 comprising median winter use, Tier 2 comprising median summer use, and higher tiers comprising</p>	<p>In Decision 12-11-006, the Commission adopted the joint rate design settlement approved by NRDC, TURN, DRA, and California-American Water Company. The Decision and adopted settlement implements a four tier rate structure for each of the districts and ratemaking areas. In general, the rate designs set the first Tier at the level of</p>	

<p>higher use. NRDC emphasized that Tier 1 rates should be below the average unit cost of water, in order to maintain low rates for essential levels of indoor water use (Tier 1). NRDC recommended that Tier 2 rates should be equal to the average unit cost of water, and that the rate structure should have inclining block rates in order to encourage water conservation, particularly at higher levels of consumption. NRDC and its consultants analyzed consumption data provided in response to NRDC's data request, in order to develop illustrative rate designs for four California-American Water Company service areas in our testimony.</p> <p>On May 20, 2011, after substantial collaboration, NRDC, DRA and TURN filed a joint rate design exhibit into the administrative record that adopted principals for rate design and provided the framework for negotiations with California-American Water Company on rate design. On June 24, 2011, NRDC, DRA and TURN filed a joint motion to strike portions of California-American Water Company's rebuttal testimony on the rate design joint proposal, which was granted by ALJ Rochester at the June 28, 2011 evidentiary hearing.</p> <p>On August 9, 2011 California-American Water Company, NRDC, DRA, and TURN filed a joint motion to adopt a stipulation on rate design. This stipulation was based substantially on the joint exhibit filed by NRDC, DRA and TURN. However, the December 12, 2011, Joint Revised Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judges denied approval of the rate design stipulation without prejudice, pending the Commission's adoption of a revenue requirement in Phase I of this proceeding, and ruled that rate design should be addressed in phase two of this proceeding.</p>	<p>median winter use and the second Tier at the level of median summer use. The rate designs utilize an inclining block rate structure, with the rate for the first tier below the average unit cost of water and the rate for the second tier generally at the average unit cost of water.</p> <ul style="list-style-type: none"> • <i>Decision 12-11-006</i> • <i>Joint Revised Scoping Memo and Ruling of the Assigned Commissioner and Administrative Law Judges, December 12, 2011, at 2-3, 4-5, 12.</i> • <i>Motion of The Utility Reform Network, Natural Resources Defense Council, California-American Water Company, and Division of Ratepayer Advocates to Adopt a Stipulation on Rate Design, August 9, 2011.</i> • <i>Joint Motion of The Natural Resources Defense Council, The Utility Reform Network and Division of Ratepayer Advocates to Strike Portions of Attachment 1, and All of Attachments 2, 3, and 4 of the Rebuttal Testimony of David P. Stephenson on the Rate Design Joint Proposal, June 24, 2011.</i> • <i>Joint Proposal Natural Resources Defense Council, Division of Ratepayer Advocates and The Utility Reform Network Regarding Rate Design (Joint Exhibit 001), May 20, 2011.</i> • <i>Testimony of the Natural Resources Defense Council On California-American Water Company's Proposed Rate Design, Water Conservation Rates, and Related Policy Issues ("NRDC Exhibit 1"), February 4, 2011, chapter 2, at 1-17 and Appendices B, C, D, and E.</i> 	<p>Yes</p>
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<p>Work on the final settlement agreement approved in Decision 12-11-006 began in May 2011, several weeks before the Commission adopted the revenue requirement in Decision 12-06-016. NRDC and its consultants, in collaboration with TURN and other parties, helped prepare rate design proposals for each of the districts that met the principals identified in the joint stipulation and joint exhibit and that achieved the revenue requirement in the draft proposed decision. After the revenue requirement was adopted in D.12-06-016, NRDC and its consultants collaborated on further refinements to the rate designs. As a result of further all party settlement talks, NRDC, California-American Water Company, TURN, and DRA agreed to a comprehensive rate design settlement and filed a motion for approval of the rate design settlement on July 19, 2012.</p>		
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B. Duplication of Effort (§§ 1801.3(f) & 1802.5):

	Claimant	CPUC Verified
a. Was the Office of Ratepayer Advocates (ORA)³ a party to the proceeding?	Yes	Verified
b. Were there other parties to the proceeding with positions similar to yours?	Yes	Verified
c. If so, provide name of other parties: The Utility Reform Network (TURN)		Verified
<p>d. Describe how you coordinated with ORA and other parties to avoid duplication or how your participation supplemented, complemented, or contributed to that of another party:</p> <p>Whenever possible, NRDC worked cooperatively with other parties to prepare and submit joint evidentiary exhibits, stipulations, and motions, as well as to coordinate participation in pre-hearing conferences to avoid duplication of effort. NRDC participated in several multiparty settlement discussions to try to resolve as many issues outside the formal proceeding, which substantially contributed to the final settlement agreement that was approved in this Decision (D.12.11-006). As a result of the efforts described above, NRDC's compensation in this proceeding should not be reduced for duplication of the showing of other parties. In addition, NRDC took steps to ensure no duplication of work within our organization by assigning specific issues, tasks, and workshops/meetings to one team member whenever possible.</p>		Verified

³ The Division of Ratepayer Advocates was renamed the Office of Ratepayer Advocates effective September 26, 2013, pursuant to Senate Bill No. 96 (Budget Act of 2013), which was approved by the Governor on September 26, 2013.

PART III: REASONABLENESS OF REQUESTED COMPENSATION**A. General Claim of Reasonableness (§§ 1801 & 1806):**

<p>B. Intervenor's Claim of Cost Reasonableness</p> <p>Throughout A.10-07-007, NRDC advocated for Commission adoption of policies and programs that ensure that California-American Water Company increases water conservation and efficiency by the company and by its customers, while also ensuring affordable water supplies for essential levels of water use and particularly for low income communities. Several elements of NRDC's recommendations were explicitly adopted in the conservation rate design settlement agreement approved by the Commission in D.12-11-006, including settlement provisions recommending the number of tiers in each rate design, the breakpoints between tiers in the rate designs, and the rates to be charged in each tier. In addition, NRDC and its consultants provided much of the data analysis on customer usage that was necessary to the formulation of the rate design settlement.</p> <p>NRDC's participation substantially contributed to the final decision that will improve water efficiency by California-American Water Company and its customers. The settlement ensures lower costs for customers' essential levels of indoor water use, and the adopted rate designs send a price signal that will encourage water conservation and allow customers to reduce their bills by reducing usage. In addition, reducing individual customer usage should directly benefit customers by reducing the need to purchase costly additional water supplies.</p>	<p>CPUC Verified</p> <hr/> <p>Verified</p>
<p>b. Reasonableness of Hours Claimed.</p> <p>The substantial contributions to the Decision described above would not have been possible without the individual contributions of the members the NRDC team and its consultants. Edward R. Osann, who has over 25 years of relevant experience, provided technical expertise and knowledge of best practices on urban water use efficiency. He drafted testimony, testified in prehearing conferences, and negotiated settlement agreements on these issues. Doug Obegi, an attorney with more than 5 years of legal experience and several years of policy experience focused on water use efficiency, drafted settlement agreements and motions, represented NRDC in prehearing conferences with the ALJ, participated in settlement negotiations, and drafted comments on the proposed Decision. John Farnkopf, who has over 30 years of relevant experience and is the Senior Vice President in charge of the Northern California water/wastewater practice of HF&H Consultants, served as consultant to NRDC. He drafted testimony, testified in prehearing conferences, oversaw data analysis of customer usage data, developed rate design proposals, and evaluated alternative proposals. Sima Mostafaei, who has more than 8 years of relevant experience and is a Senior Associate at HF&H Consultants, served as consultant to NRDC. She performed data analysis of customer usage data, developed rate design proposals, and evaluated alternative proposals. Copies of the resumes of Mr. Farnkopf and Ms. Mostafaei are attached; resumes of Mr. Osann and Mr. Obegi were submitted on August 13, 2012 as part of NRDC's Phase I claim in this proceeding.</p> <p>NRDC and its consultants maintained detailed time records indicating the number of hours that were devoted to proceeding activities. All hours represent substantive work related to this proceeding. When staff 'reviewed' other staff work, this involved providing detailed substantive comments to further build the record, additional language suggestions to improve the clarity of position, and improvements to the recommendations, to ensure that the work product delivered to the Commission was substantive and useful. This activity was not merely grammar checking, but added significant value to the end product. Likewise, when staff 'coordinated', this involved developing NRDC positions on</p>	<p>Verified</p>

<p>substantive issues and identifying key issues NRDC would emphasize in testimony, in comments, or in settlement agreements. When we claim two staff for attending the same meeting (either internal or external), we do so because each staff member possesses a distinct area of expertise. NRDC has already paid its consultants for the work they performed in this proceeding, at the same rates requested herein.</p> <p>The amounts claimed are conservative for the following reasons: (1) No time was claimed for pure coordination among the staff, only for discussions of substantive issues to outline comments and define advocacy strategy; (2) we do not claim time for informal conversations with CPUC staff or other stakeholders throughout the proceeding (unless over 2 hours); (3) we generally only claim time for one staff person present for a substantive internal conversation, meetings with consultants, or meetings with other parties; and (4) we do not request all hours for prepping this claim. In addition, we did not claim any time for work done by Jeremy Brown (an attorney who worked for NRDC in 2010 on this proceeding), and we did not claim time for one of our consultants who assisted NRDC with procedural matters in this proceeding.</p> <p>In sum, NRDC and its consultants made numerous and significant contributions which required extensive research and analysis. We took every effort to coordinate with other stakeholders to reduce duplication and increase the overall efficiency of the proceeding. Since our work was efficient, hours conservative, and billing rates low, NRDC’s request for compensation should be granted in full.</p>							
<p>c. Allocation of Hours by Issue</p> <table><tr><th>Letter</th><th>Issue Area</th><th>%</th></tr><tr><td>A</td><td>Rate Design</td><td>100%</td></tr></table>	Letter	Issue Area	%	A	Rate Design	100%	Verified
Letter	Issue Area	%					
A	Rate Design	100%					

B. Specific Claim:*

CLAIMED						CPUC AWARD		
ATTORNEY, EXPERT, AND ADVOCATE FEES								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
D. Obegi	2011	30.65	\$280.00	Res ALJ 267	\$8,582.00	30.15 ^[E]	\$280.00 ^[A]	\$8,442.00
D. Obegi	2012	11.05	\$285.00	Res ALJ 281	\$3,149.25	11.05	\$285.00 ^[A]	\$3,149.25
E. Osann	2010	4.80	\$180.00	Res ALJ 267	\$864.00	4.80	\$180.00 ^[B]	\$864.00
E. Osann	2011	76.05	\$190.00	D.08-04-010 (p.8)	14,449.50	68.55 ^[E]	\$190.00 ^[B]	\$13,024.50
E. Osann	2012	33.40	\$280.00 ⁴	Res ALJ 281	\$9352.00	33.40	\$280.00 ^[B]	\$9,352.00
J. Farnkopf	2010	57.50	\$210.00	Res ALJ 267	\$12,075.00	54.25 ^[E]	\$210.00 ^[C]	\$11,392.50
J. Farnkopf	2011	220.75	\$210.00	Res ALJ 267	\$46,357.50	214.75 ^[E]	\$210.00 ^[C]	\$45,097.50
J. Farnkopf	2012	33.75	\$210.00	Res ALJ 281	\$7,087.50	33.75	\$210.00 ^[C]	\$7,087.50

⁴ NRDC requested via e-mail to increase the proposed 2012 rate of Osann from \$190.00 per hour to \$280.00 per hour.

S. Mostafaei	2010	81.25	\$140.00	Res ALJ 267	\$11,375.00	76.5 ^[E]	\$140.00 ^[D]	\$10,710.00
S. Mostafaei	2011	131.25	\$140.00	Res ALJ 267	\$18,375.00	129.50 ^[E]	\$140.00 ^[D]	\$18,130.00
S. Mostafaei	2012	80.75	\$140.00	Res ALJ 281	\$11,305.00	77.75 ^[E]	\$140.00 ^[D]	\$10,885.00
	Subtotal:	761.2		Subtotal:	\$142,971.75			\$138,134.25
INTERVENOR COMPENSATION CLAIM PREPARATION **								
Item	Year	Hours	Rate	Basis for Rate*	Total \$	Hours	Rate	Total \$
D. Obegi	2012	6	\$142.50	Res ALJ 281; 1/2 of normal rate	\$855.00	6	\$142.50	\$855.00
E. Osann	2010	0.75	\$90.00	Res ALJ 267; 1/2 of normal rate	\$67.50	.75	\$90.00	\$67.50
E. Osann	2012	6	\$140.00	Res ALJ 281; 1/2 of normal rate	\$582.00	6	\$140.00	\$840.00
	Subtotal:			Subtotal:	\$1,762.50			\$1762.50
COSTS								
#	Item	Detail			Amount	Amount		
	LA-SF airfare for evidentiary hearing	Southwest Receipt			\$291.40			\$291.40
	SF hotel for evidentiary hearing	Mark Twain Hotel receipt			\$147.23			\$147.23
Subtotal:					\$438.63	Subtotal:		\$438.63
TOTAL REQUEST \$:					\$145,172.90	TOTAL AWARD \$:		\$140,335.38
<p>*We remind all intervenors that Commission staff may audit their records related to the award and that intervenors must make and retain adequate accounting and other documentation to support all claims for intervenor compensation. Claimant’s records should identify specific issues for which it seeks compensation, the actual time spent by each employee or consultant, the applicable hourly rates, fees paid to consultants and any other costs for which compensation was claimed. The records pertaining to an award of compensation shall be retained for at least three years from the date of the final decision making the award.</p> <p>**Reasonable claim preparation time typically compensated at ½ of preparer’s normal hourly rate</p>								
ATTORNEY INFORMATION								

Attorney	Date Admitted to CA Bar ⁵	Member Number	Actions Affecting Eligibility (Yes/No?) If “Yes”, attach explanation
Doug Obegi	December 05, 2006	246127	No

C. Attachments Documenting Specific Claim and Comments on Part III:

Attachment or Comment #	Description/Comment
1	Staff Time Records
Comment 1	<p>Rationale for Edward R. Osann’s rate</p> <p><u>2010 Rate:</u> We propose \$180 for Edward R. Osann. The rate proposed for Mr. Osann is at the low end of the range adopted in Res ALJ-267 for experts with more than 13 years of experience (\$155-\$390). Mr. Osann has over 25 years of experience as a water use efficiency expert.</p> <p><u>2011 Rate:</u> For work done in 2011, we propose one 5% step for 2011 work based on D.08-04-010 (p.8), which states “Step increases: limited to two annual increases of no more than 5% each year within any given level of experience for each individual.” We therefore propose a rate of \$190, which is less than a 5% annual increase.</p> <p><u>2012 Rate:</u> For work done in 2012, we propose a 2.2% cost of living adjustment based on Res-ALJ 287 (p. 7), which states, “For work performed in calendar year 2012, intervenors are authorized a 2.2% Cost-of-Living Adjustment (COLA).” We therefore propose a rate of \$194, which is less than a 2.2% COLA increase.</p> <p><u>2013 Rate:</u> For work done in 2013, we propose a rate of \$194, the same rate as in 2012.</p> <p>Mr. Osann has extensive expertise and experience on urban water use efficiency, and represents NRDC before the Department of Energy, CPUC, state legislature, and in other fora. Mr. Osann ran a private consulting firm on water and energy efficiency for 13 years after. Mr. Osann joined NRDC in 2010, after consulting with NRDC for many years on water conservation issues. Mr. Osann’s resume was submitted on August 13, 2012 as part of NRDC’s phase I claim in this proceeding.</p>
Comment 2	<p>Rationale for Doug Obegi’s rate</p> <p><u>2010 Rate:</u> We propose \$220 for Doug Obegi. The rate proposed for Mr. Obegi is in the middle of the range adopted in Res ALJ-267 for attorneys with three to four years of experience for 2010 (\$200-\$235). Mr. Obegi was a fourth-year water attorney at NRDC in 2010.</p> <p><u>2011 Rate:</u> In 2011, Mr. Obegi was a fifth-year attorney. We accordingly request a rate of \$280 here, which is the lowest end of the range of Attorneys with 5-7 years of experience (\$280-300) adopted in Res ALJ-267. Per D.08-04-010, intervenors can qualify for a rate increase when “moving to a higher experience level: where additional experience since the last authorized rate moved a representative to a higher level of experience.” (D.08-04-010, p.8)</p> <p><u>2012 Rate:</u> Mr. Obegi is now a sixth year attorney. We accordingly request a rate of \$285 here, which is the lowest end of the range of Attorneys with 5-7 years of experience (\$285-305)</p>

⁵ This information may be obtained at: <http://www.calbar.ca.gov/>.

	<p>adopted in Res ALJ-281, which modified the previous rates by 2.2% for COLA. This rate also includes a 5% step increase for 2012 work based on D.08-04-010 (p. 8), which states “Step increases: limited to two annual increases of no more than 5% each year within any given level of experience for each individual.”</p> <p>Mr. Obegi represents NRDC at state and local fora to promote water use efficiency, including in rulemaking proceedings before the CPUC and Department of Water Resources, and he represents NRDC in federal court litigation. Mr. Obegi holds a B.A. from Brown University and a J.D. from University of California, Hastings College of the Law. Mr. Obegi’s resume was submitted on August 13, 2012 as part of NRDC’s phase I claim in this proceeding.</p>
Comment 3	<p>Rationale for John Farnkopf’s rate</p> <p><u>2010 Rate:</u> We propose \$210 for John Farnkopf. The rate proposed for Mr. Farnkopf is in the middle of the range adopted in Res ALJ-267 for experts with more than 13 years of experience (\$155-\$390). Mr. Farnkopf has over 30 years of relevant experience as a rate design expert. This rate is what NRDC paid to HF&H Consulting for Mr. Farnkopf’s work under contract.</p> <p><u>2011 Rate:</u> We propose \$210 for John Farnkopf. The rate proposed for Mr. Farnkopf is in the middle of the range adopted in Res ALJ-267 for experts with more than 13 years of experience (\$155-\$390). Mr. Farnkopf has over 30 years of relevant experience as a rate design expert. This rate is what NRDC paid to HF&H Consulting for Mr. Farnkopf’s work under contract, and it does not include an annual increase.</p> <p><u>2012 Rate:</u> We propose \$210 for John Farnkopf. The rate proposed for Mr. Farnkopf is in the middle of the range adopted in Res ALJ-281 for experts with more than 13 years of experience (\$160-\$400). Mr. Farnkopf has over 30 years of relevant experience as a rate design expert. This rate is what NRDC paid to HF&H Consulting for Mr. Farnkopf’s work under contract, and it does not include an annual increase.</p> <p>Mr. Farnkopf has over 30 years of relevant experience and is the Senior Vice President in charge of the Northern California water/wastewater practice of HF&H Consultants. A copy of his resume is attached.</p>
Comment 4	<p>Rationale for Sima Mostafaei’s rate</p> <p><u>2010 Rate:</u> We propose \$140 for Sima Mostafaei. The rate proposed for Ms. Mostafaei is on the low end of the range adopted in Res ALJ-267 for experts with 0 to 6 years of experience (\$125-\$185). Ms. Mostafaei had 6 years of relevant experience as a rate design expert in 2010. This rate is what NRDC paid to HF&H consulting for Ms. Mostefaei’s work under contract.</p> <p><u>2011 Rate:</u> We propose \$140 for Sima Mostafaei. The rate proposed for Ms. Mostafaei is below the low end of the range adopted in Res ALJ-267 for experts with 7 to 12 years of experience (\$155-\$270). Ms. Mostafaei has 7 years of relevant experience as a rate design expert. This rate is what NRDC paid to HF&H consulting for Ms. Mostefaei’s work under contract, and it does not include an annual increase.</p> <p><u>2012 Rate:</u> We propose \$140 for Sima Mostafaei. The rate proposed for Ms. Mostafaei is below the low end of the range adopted in Res ALJ-281 for experts with 7 to 12 years of experience (\$160-\$275). Ms. Mostafaei has 8 years of relevant experience as a rate design expert. This rate is what NRDC paid to HF&H consulting for Ms. Mostefaei’s work under contract, and it does not include an annual increase.</p> <p>Ms. Mostafaei has over 8 years of relevant experience and is a Senior Associate at HF&H Consultants. A copy of her resume is attached.</p>
2	Travel receipts
3	Resumes of Mr. Farnkopf and Ms. Mostafaei (resumes of Mr. Obegi and Mr. Osann were

submitted on August 13, 2012 as part of NRDC's intervenor compensation claim)

D. CPUC Disallowances and Adjustments:

#	Reason
A	<p><u>Obegi's Hourly Rates</u></p> <p>For 2011 NRDC requests a rate of \$280.00 per hour for work done by Obegi. Obegi has extensive experience working on environmental issues. The requested rate is at the bottom of rates for attorneys with five to seven years of experience. We find this rate to be reasonable and commensurate with the work performed by Obegi.</p> <p>For 2012 NRDC requests a rate of \$285.00 per hour for work done by Obegi. The Commission applies the 2.2% COLA increase as approved in Res. ALJ-281, and finds this rate reasonable.</p>
B	<p><u>Osann Hourly Rates</u></p> <p>For 2010 NRDC requests a rate of \$180.00 per hour for work done by Osann. Osann is a senior policy analyst with NRDC and has extensive experience working on water issues at the federal level. The requested rate is in the lower end of rates for experts with more than thirteen years of experience. We find this rate to be reasonable and commensurate with the work performed by Osann.</p> <p>For 2011 NRDC requests a rate of \$190.00 per hour for work done by Osann. The Commission applies the 5% step increase as approved in Res. ALJ-267, and finds this rate reasonable.</p> <p>For 2012 NRDC requested in an e-mail after the claim was filed a rate of \$280.00 for Osann. We find this rate to be reasonable given Osann's 35 years of experience in the water-policy sector.</p>
C	<p><u>Farnkopf's Hourly Rates</u></p> <p>For 2010-2012 NRDC requests a rate of \$210.00 per hour for work done by Farnkopf. Farnkopf has over 35 years of experience working in the public and private utility sector. The requested rate is in the lower end of rates for experts with more than thirteen years of experience. We find this rate to be reasonable and commensurate with the work performed by Farnkopf.</p>
D	<p><u>Mostafaei's Hourly Rates</u></p> <p>For 2010-2012 NRDC requests a rate of \$140.00 per hour for work done by Mostafaei. Mostafaei has experience working with many municipalities to model their utility rates and reserves. The requested rate is in the lower end of rates for experts with zero to six years of experience. We find this rate to be reasonable and commensurate with the work performed by Mostafaei.</p>
E	<p>The Commission deducts from the award for excessive hours and for travel time charged as full time.</p>

PART IV: OPPOSITIONS AND COMMENTS

A. Opposition: Did any party oppose the Claim?	No
B. Comment Period: Was the 30-day comment period waived (<i>see</i> Rule 14.6(2)(6))?	Yes

FINDINGS OF FACT

1. Natural Resources Defense Council has made a substantial contribution to Decision 12-11-006.
2. The requested hourly rates for Natural Resources Defense Council's representatives, as adjusted herein, are comparable to market rates paid to experts and advocates having comparable training and experience and offering similar services.
3. The claimed costs and expenses, as adjusted herein, are reasonable and commensurate with the work performed.
4. The total of reasonable compensation is \$140,335.38.

CONCLUSION OF LAW

1. The Claim, with any adjustment set forth above, satisfies all requirements of Public Utilities Code §§ 1801-1812.

ORDER

1. Natural Resources Defense Council is awarded \$140,335.38.
2. Within 30 days of the effective date of this decision, California-American Water Company shall pay Natural Resources Defense Council the total award. Payment of the award shall include interest at the rate earned on prime, three-month, non-financial commercial paper as reported in Federal Reserve Statistical Release H.15, beginning March 30, 2013, the 75th day after the filing of Natural Resources Defense Council's request, and continuing until full payment is made.

3. The comment period for today's decision is waived.

This decision is effective today.

Dated _____, at San Francisco, California.

APPENDIX

Compensation Decision Summary Information

Compensation Decision:		Modifies Decision?	No
Contribution Decision(s):	D1211006		
Proceeding(s):	A1007007		
Author:	ALJ Smith		
Payer(s):	California-American Water Company		

Intervenor Information

Intervenor	Claim Date	Amount Requested	Amount Awarded	Multiplier?	Reason Change/Disallowance
Natural Resources Defense Council	01/14/13	\$145,172.90	\$140,335.38	N/A	N/A

Advocate Information

First Name	Last Name	Type	Intervenor	Hourly Fee Requested	Year Hourly Fee Requested	Hourly Fee Adopted
Doug	Obegi	Attorney	Natural Resources Defense Council	\$280.00	2011	\$280.00
Doug	Obegi	Attorney	Natural Resources Defense Council	\$285.00	2012	\$285.00
Edward	Osann	Expert	Natural Resources Defense Council	\$180.00	2010	\$180.00
Edward	Osann	Expert	Natural Resources Defense Council	\$190.00	2011	\$190.00
Edward	Osann	Expert	Natural Resources Defense	\$280.00	2012	\$280.00

			Council			
John	Farnkopf	Expert	Natural Resources Defense Council	\$210.00	2010	\$210.00
John	Farnkopf	Expert	Natural Resources Defense Council	\$210.00	2011	\$210.00
John	Farnkopf	Expert	Natural Resources Defense Council	\$210.00	2012	\$210.00
Sima	Mostafaei	Expert	Natural Resources Defense Council	\$140.00	2010	\$140.00
Sima	Mostafaei	Expert	Natural Resources Defense Council	\$140.00	2011	\$140.00
Sima	Mostafaei	Expert	Natural Resources Defense Council	\$140.00	2012	\$140.00

(END OF APPENDIX)